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ELIAS C. ALVORD (1942)
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RECORDATION NO. 27593 FILED

AUG 08 '08 -10 00 AM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

August 8, 2008

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of July 1, 2008, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: Continental Railcar Leasing 2008, LLC
c/o Macquarie Rail Inc.
233 South Wacker Drive, Suite 5300
Chicago, IL 60606

Lessee: Grand Trunk Western Railroad Incorporated
935 de la Gauchetiere Street West
Montreal, Quebec
Canada H3B 2M9

Anne K. Quinlan, Esquire
August 8, 2008
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A description of the railroad equipment covered by the enclosed document is:

390 covered coil railcars: GTW 187800 - GTW 188189.

A short summary of the document to appear in the index is:

Memorandum of Lease.

Also enclosed is a check in the amount of \$41.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

RECORDATION NO.

27593

FILED

AUG 08 '08

-10 00 AM

SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF LEASE
BETWEEN
CONTINENTAL RAILCAR LEASING 2008, LLC
("LESSOR")**

AND

**GRAND TRUNK WESTERN RAILROAD INCORPORATED
("LESSEE")**

JULY 1, 2008

THIS MEMORANDUM OF LEASE is dated as of July 1, 2008, by and between CONTINENTAL RAILCAR LEASING 2008, LLC, a Delaware limited liability company, ("**Lessor**") and GRAND TRUNK WESTERN RAILROAD INCORPORATED, a Delaware corporation ("**Lessee**").

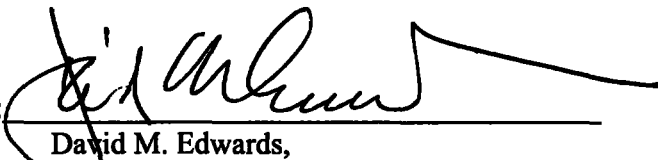
1. Lessor has agreed to furnish to Lessee, and Lessee has agreed to lease from Lessor 390 covered coil cars bearing marks and numbers as follows:

GTW 187800 to GTW 188189 inclusive


2. The Lease will be effective as of the date of this Memorandum and will be subject to the lease term, as described in the Lease.
3. The Lease provides, among other things that to further secure the obligations of Lessee to Lessor, Lessee grants to Lessor a first priority security interest in Lessee's rights and interest in, to and under any agreement relating to use of reporting marks for such railcars, and any sublease thereof, and the proceeds from any of the foregoing.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective officers as of the date and year first above written.

Lessor: CONTINENTAL RAILCAR LEASING 2008, LLC
By Continental Railcar Leasing, LLC, its sole member

By: 
David M. Edwards,
Director

Lessee: GRAND TRUNK WESTERN RAILROAD INCORPORATED

By: 
John A.N. Lamont
Sr. Manager, Asset Finance

STATE OF ILLINOIS

COUNTY OF COOK

On this 28th day of July, 2008, before me personally appeared David M. Edwards, to me personally known, who being by me duly sworn, says that he is a Director of Continental Railcar Leasing, LLC, sole member of CONTINENTAL RAILCAR LEASING 2008, LLC, that the foregoing instrument was signed on behalf of said company, and he acknowledged that the execution of the said instrument was his free act and deed.

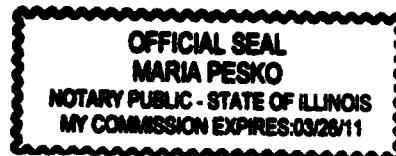


NOTARY PUBLIC

My commission expires:

PROVINCE OF QUEBEC

DISTRICT OF MONTREAL



On this 18th day of July, 2008, before me personally appeared John A.N. Lamont, to me personally known, who being by me duly sworn, says that he is the Sr. Manager, Asset Finance of Grand Trunk Western Railroad Incorporated that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.


ATTORNEY / AVOCAT

Bar Number: 183142-9